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Security Council

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Agenda item 21
Question of Cyprus

Security Council
Sixty-third year

Letter dated 21 November 2008 from the Permanent Representative of Turkey to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith a letter dated 20 November 2008, addressed to you by Mr. Kemal Gökeri, Representative of the Turkish Republic of Northern Cyprus (see annex).

I will be grateful if the text of the present letter and its annex could be circulated as a document of the General Assembly, under agenda item 21, and of the Security Council.

(*Signed*) Baki İlkin
Ambassador
Permanent Representative

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Annex to the letter dated 21 November 2008 from the Permanent Representative of Turkey to the United Nations addressed to the Secretary-General

Upon instructions from my Government, I have the honour to refer to the letter dated 7 November 2008 addressed to you by the Greek Cypriot representative and circulated as a document of the General Assembly and of the Security Council (A/63/543-S/2008/704 and Corr.1), which yet again contains well-known allegations of violations of "international air traffic regulations and the national airspace of the Republic of Cyprus" and to bring to your kind attention the following:

As stated in our previous communications addressed to you, habitually repeated allegations by the Greek Cypriot side of so-called "airspace violations" are totally unfounded and are rejected in toto by our authorities. The present allegations do not merit a detailed reply as they are of a similar nature. However, I wish to emphasize, once again, that flights within the sovereign airspace and flight information region of the Turkish Republic of Northern Cyprus take place with the full knowledge and consent of the appropriate authorities of the State. The Greek Cypriot administration in South Cyprus has no jurisdiction or right of say over flights within the national airspace of the Turkish Republic of Northern Cyprus. Furthermore, it should be emphasized that allegations of so-called violations of air traffic regulations are invalid, as the civil aviation authority of the Turkish Republic of Northern Cyprus is the only competent authority to provide air traffic and aeronautical information services.

The Greek Cypriot administration should be reminded, once again, that its counterpart is, and has always been, the Turkish Cypriot side, not Turkey. I also deem it imperative to point out, once again, that the attitude demonstrated by the Greek Cypriot representatives in their constant repetition of false claims is nothing more than rhetoric, which unfortunately wastes the precious time and energy of the international community.

Furthermore, at a time when the full-fledged negotiations between the two leaders are under way, such claims and defamation tactics are counterproductive and will serve nothing other than poisoning the positive atmosphere on the solution front.

Lastly, I would like to stress that the Turkish Cypriot side is ready and doing its best for achieving a settlement in the form of a new partnership which will be in line with the established United Nations parameters and body of work. Bizonality, political equality of the two peoples, the equal status of the two constituent states and the continuation of Turkey's effective guarantee will constitute the parameters for a solution to the Cyprus problem. Removal of the existing isolations on Turkish Cypriots and equal treatment of the two sides by the international community will surely contribute positively to the efforts towards reaching a comprehensive settlement in Cyprus.

I should be grateful if the text of the present letter could be circulated as a document of the General Assembly, under agenda item 21, and of the Security Council.

(*Signed*) M. Kemal **Gökeri**
Representative
Turkish Republic of Northern Cyprus

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Sixty-third session
Agenda items 118 and 40

Programme budget for the biennium 2008-2009

Report of the Economic and Social Council

Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2008

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2008 (A/63/371). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. As indicated in the report of the Secretary-General, the additional expenditure requirements arising as a result of the resolutions and decisions adopted by the Council at its substantive session are estimated at $420,500 under the regular budget, all of which could be absorbed within the resources provided under the programme budget for the biennium 2008-2009. The Advisory Committee also notes that extrabudgetary funds are expected to cover the need for supplementary resources that have been identified in the biennium 2008-2009. The requirements for the biennium 2010-2011 will be considered within the context of the proposed programme budget for that biennium.

3. As indicated in the annex to the report of the Secretary-General, a requirement of $407,000 would be required under section 2, General Assembly and Economic and Social Council affairs and conference management, of the programme budget for the biennium 2008-2009 as a result of the adoption of Economic and Social Council decision 2008/247. The Advisory Committee notes that these requirements are related to the preparations for the high-level segment of the fifty-second session of the Commission on Narcotic Drugs on the follow-up to the twentieth special session of the General Assembly (see E/2008/28, chap. I.C, Commission resolution 51/4, and annex VII). The additional resources would provide conference servicing

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for five open-ended intergovernmental expert working groups, meeting for a total of 30 meetings, to assess the achievement of the goals and targets set by the General Assembly at its twentieth special session, as well as areas requiring further action, and to draw conclusions for further intersessional discussions.

4. **The Advisory Committee has no objection to the course of action proposed by the Secretary-General in paragraphs 32 and 33 of his report.**

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Agenda item 118
Programme budget for the biennium 2008-2009

Contingent liability reserve for the United Nations Postal Administration

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the contingent liability reserve for the United Nations Postal Administration (UNPA) (A/63/320). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The report Secretary-General was submitted pursuant to section XIV of General Assembly resolution 62/238, in which the Assembly requested the Secretary-General to continue taking measures, alternative to the establishment of a contingent liability reserve, to eliminate risks posed to UNPA by mass mailing and to report to the General Assembly at its sixty-third session on the progress achieved. The Assembly also decided to consider at its sixty-third session the establishment of a contingent liability reserve for the Postal Administration as a solution to the issue of reducing the risk posed to it by the use of its services for commercial and bulk mail, on the basis of any future recommendations of the Board of Auditors and updated information provided by the Secretary-General on the issue. Upon enquiry, the Advisory Committee was informed that there were no findings on the Postal Administration by the Board of Auditors for the biennium 2006-2007 and that the Board had not scheduled UNPA in its programme of work for the biennium 2008-2009.

3. As indicated in paragraph 6 of the report of the Secretary-General, given that most individual collectors will not use the stamps in their collections for mailing, the only use of previously issued stamps that poses a funding issue for UNPA is mailing by commercial bulk mailers using stamps purchased on the open market. The Advisory Committee notes from paragraph 7 of the report that bulk mailing has been eliminated at the United Nations Offices at Geneva and Vienna. The Secretary-General indicates in paragraph 8 that, in New York, effective 1 September 2007,

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UNPA put in place a new policy to restrict large consignments of mail, specialized mail services and mass mail, thereby eliminating bulk mail charges. According to the Secretary-General, this policy has resulted in a continuing reduction in the estimate of the contingent liability for stamps sold in prior periods being presented for posting. Accordingly, the Secretary-General recommends against the establishment of a reserve at this time. The Secretary-General also recommends continuation of the existing practice of meeting any additional expenditures derived from postage from sales recorded in prior periods from current income. The Secretary-General also indicates that once a trend emerges from the implementation of the new policy, it will be possible to determine the appropriate level of contingent liability. At that point, UNPA would estimate the new level, in coordination with the Office of Programme Planning, Budget and Accounts, and the revised level of the contingent liability would be brought to the attention of the General Assembly.

4. The Advisory Committee notes from paragraph 9 of the report of the Secretary-General that the elimination of bulk mail has also had a positive effect on the profitability of the Postal Administration, which reported a net profit of $1.5 million for the biennium 2006-2007. With regard to the overall operational costs, the Committee was informed that the Postal Administration had continued to reduce costs by streamlining its operations and restructuring staff resources. **The Advisory Committee welcomes these developments.**

5. United Nations stamps are sold on the UNPA website (http://unstamps.un.org) and at three issuing stations, United Nations Headquarters in New York (since 1951), the United Nations Office at Geneva (1969) and the United Nations Office at Vienna (1979), with the majority of mailed stamps used for sending postcards purchased by visitors to the United Nations. The Advisory Committee was informed that adding more issuing stations would increase operating costs. Furthermore, increasing the volume of stamps would decrease their collectibility and therefore their value. Upon request, the Committee was provided with an updated listing of initiatives currently being undertaken or planned by the Postal Administration (see annex).

6. Upon enquiry the Advisory Committee was informed that the sale of stamps will be affected during the construction phase of the capital master plan since access to the postal desk in the General Assembly Building would be limited in 2011. The Postal Administration was therefore exploring ways to continue selling stamps in a New York location. **The Advisory Committee requests the Secretary-General to ensure that United Nations stamps can continue to be sold in New York during the construction phase of the capital master plan.**

7. As indicated in paragraph 13 of the report, there continue to be difficulties in estimating the value of the UNPA contingent liability for stamps that have been sold and will be presented for mailing in the future. However, the Secretary-General has disclosed the nature of the Postal Administration's contingent liability, which is estimated at approximately $3.3 million, in the footnotes to schedule 5.1 of the United Nations financial statements (A/63/5 (UN.I)), as required by the United Nations system accounting standards. **The Advisory Committee expects that the next report of the Secretary-General on the contingent liability reserve for UNPA will contain an indication of how this liability will be disclosed once International Public Sector Accounting Standards is implemented.**

8. Upon enquiry, the Advisory Committee was informed that the sale of so-called "value-added" stamps, that is, the sale of premium stamps at a price above their face

value, had been considered but that the processing and accounting of such stamps would have to be clarified. **The Advisory Committee reiterates its views as to the merits of creating a reserve for contingent liabilities for postal services for previously issued stamps, as put forward in its previous reports (A/62/350 and A/61/480) and considers that the sale of value-added stamps could be a means to gradually establish such a contingency fund once the appropriate level is determined (see para. 3 above). Accordingly, the Committee recommends that the General Assembly request the Secretary-General to explore the feasibility of issuing such stamps for the purpose of establishing a reserve for contingent liabilities.**

9. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General on the contingent liability reserve for UNPA (A/63/320).**

Annex

Activities and initiatives by the United Nations Postal Administration

I. Stamp programme

1. The United Nations Postal Administration (UNPA) issues stamps to promote the goals of the Organization. Recent issuances include:

- Sport for Peace commemorating the Olympic Games in Beijing, designed by the world-renowned artist Romero Britto
- We Can End Poverty
- Climate Change
- Endangered Species Series
- Coin and Flag Series
- United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Series
- Rights of Persons With Disabilities

2. Future issues will include the following:

- UNESCO World Heritage Series (continuation)
- Millennium Development Goals Series
- Continuation of Indigenous People Series
- International Day of Non-Violence

II. Personalized stamps

3. UNPA has continued to focus on the growth and further development of personalized stamps, expanding its reach beyond the traditional philatelic market. There are presently three types of personalized products:

- Standard sheets for customers/tourists visiting the United Nations
- Stamp show sheets to commemorate a UNPA stamp exhibition
- Special event sheets which commemorate special events
- Personalized Stamp Album (under development)

III. Stamp packs

4. UNPA has expanded its range of pre-packaged stamp packs using cancelled stamps. This product was developed to target the youth market and to encourage stamp collecting.

IV. UNPA website and e-commerce

5. UNPA continues to increase sales through its global e-commerce website as a customer-friendly alternative for current and new customers to purchase United Nations stamp products online. The trend in this media continues to grow. UNPA has also developed an e-bulletin which it sends to customers informing them of new products and developments within UNPA.